

RETI Phase 1B Final Report Update
With Revisions Adopted February 24, 2009

Clarification of References to Green Path and Green Path North

In response to comments received on the Phase 1B Final Report, including those at the RETI January 10, 2009 public meeting in Palm Desert, CA, the RETI Stakeholder Steering Committee clarified at its January 27, 2009 meeting that RETI does not endorse specific geographic routings for any currently proposed transmission projects including, in particular, any routing for the Green Path North (GPN) project proposed by Los Angeles Department of Water and Power. This update changes the original text of the Phase 1B Final Report as indicated below.

The section of the Phase 1B Final Report titled, “Economic Analysis of Competitive Renewable Energy Zones” as prepared by Black & Veatch does not distinguish the Imperial Irrigation District (IID) Green Path project from the Los Angeles Department of Water and Power (LADWP) proposed Green Path North project. The IID Green Path Project consists of upgrades of the IID system to support larger export of Imperial County generation to multiple points in the region. Funding for construction of the first phases of IID Green Path has been approved by the IID board. The LADWP board has approved study, but not construction, of GPN. IID and LADWP are engaged in planning studies to connect these projects. The two utilities refer to them as the “Green Path Coordinated Projects,” because they are intended to make use of IID system upgrades mentioned above.

The failure of the Phase 1B Report to distinguish between IID Green Path and LADWP Green Path North caused concern and confusion to readers. To clarify the distinction between these two projects, the Phase 1B Final Report is updated to include the following underlined language in the sections indicated:

Executive Summary, p. ES-11:

“It is noteworthy that three major transmission projects to access some of these areas are already being built or planned—the Tehachapi Renewable Transmission Project, whose first phase is under construction by Southern California Edison, the Sunrise Powerlink proposed by SDG&E, and the Green Path-Green Path North Coordinated Projects proposed by Imperial Irrigation District and Los Angeles Department of Water and Power. RETI does not endorse any of these projects.”

P. 1-5, footnote 3:

“Discussed in Section 3, RETI assumed CAISO-approved and publicly-owned utility (POU) approved transmission would be constructed, including Southern California Edison’s Tehachapi and Devers-Palo Verde 2 lines, San Diego Gas & Electric’s Sunrise Project, and Imperial Irrigation District’s / Los Angeles Department of Water and Power’s Green Path Coordinated Projects. Routings for most of the Tehachapi project and the LADWP Green Path North portion of the Green Path Coordinated Projects have

not been established, and RETI does not endorse any routing for either of these projects. Rather, RETI assumes only that some new transmission having electrical capacity roughly equivalent to that proposed by these projects will eventually be built. The capital costs for this transmission were assumed to be included in utility transmission rates, and were not considered as an incremental cost to the resources interconnecting to this transmission.”

P. 3-17, Table 3-10: The title of Table 3-10 is changed to read: “Approved Transmission Considered Available Before Start of RETI Analysis.”

The Project Name in the last line of Table 3-10 is changed from “Green Path” to “IID Green Path—upgrades in Imperial County.”

P. 3-18, Table 3-11: The bottom row of this table is changed to read “IID Green Path”

P. 3-34, Table 3-19: the reference to “Sunrise and/or Green Path” in the column headed, “Enabling Near-Term Transmission” is changed to “Sunrise and/or IID Green Path”

P. 4-4, Section 4.1.2: A new paragraph is added after first two paragraphs of section 4.1.2:

“Access to Imperial County resources is critically important to achieving state renewable energy goals. The recently-approved Sunrise PowerLink will provide enough transmission capacity to export only a portion of the geothermal, solar and wind resources in that area. Additional transmission projects to export more of the proven renewable resources from this region are thus necessary.”

The Phase 1B Final Report contains no maps representing either the IID or LADWP portions of the “Green Path Coordinated Projects.” To clarify that RETI does not now endorse geographic routings of any proposed transmission projects, the RETI Stakeholder Steering Committee, as recorded in the minutes of its January 27, 2009 meeting:

Directed that RETI maps include an inset box showing all routing alternatives for the LADWP Green Path North (GPN) as soon as a Notice of Intent for this project is issued. Until then, GPN will be represented on RETI maps with a straight, dashed line. The inset box will include an “as of” date and state that the routing alternatives are subject to change. The proposed routing of the portions of the Tehachapi project that have not yet been permitted will be treated similarly. The SSC clarified that it has not endorsed routings for any transmission project, including Green Path North.